

Exhibit A

New York Shuts Down Olivet University Amid Federal Money-Laundering Probe

N [newsweek.com/new-york-shuts-down-olivet-university-amid-federal-money-laundering-probe-1721221](https://www.newsweek.com/new-york-shuts-down-olivet-university-amid-federal-money-laundering-probe-1721221)

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New York shut down Olivet University's operations in the state, saying the Evangelical Christian college was still largely run by a group of David Jang disciples linked to a 2018 criminal conspiracy.

Jang, a Korean American cleric, founded Olivet in 2000. His followers are now in the crosshairs of Department of Homeland Security investigators probing whether the university was part of a scheme to launder money for criminals in China and the United States.



A sign near the gated entrance to Olivet University in Dover, New York. JOSH KEEFE/NEWSWEEK

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The stinging rebuke by New York's Deputy Commissioner of Education cited "a pattern of mismanagement" at the university and its ties to "criminal activity" in ending Olivet's authorization to operate credit-bearing courses or programs in New York.

(Olivet's campuses in Tennessee and California are likely to also come under scrutiny, and DHS may revoke Olivet's authorization to enroll international students.)

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The education department's decision to close the Olivet campuses in Manhattan and Dover, New York, after a two-year review, was made on May 17, weeks after *Newsweek* reported that DHS investigators had searched the premises of Olivet's headquarters in Anza, California, as part of an ongoing criminal investigation into visa fraud, labor trafficking and money laundering.

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A little-known bible college, Olivet University was thrust into the national media spotlight in 2018 when the Manhattan District Attorney announced indictments in a fraud and money laundering probe unrelated to the current federal investigation. Olivet pleaded guilty to money laundering, as did several of Jang's followers and companies they ran.

Deputy Commissioner of Education William P. Murphy wrote to Olivet on Thursday, rejecting the college's appeal of the May 17 decision, saying the college had done far too little to clean up its act. He blocked Olivet from re-applying for certification to operate in New York. The department shared the letter with *Newsweek* and declined further comment. The decision took effect immediately.

Olivet lacked the financial resources to fulfill its mission, Murphy said. An education department review found that "Olivet has a well-established pattern of noncompliance with laws, rules, and regulations," he wrote. "The record reveals to me a larger pattern of only coming into compliance only when forced to do so."

Olivet failed to purge its leadership of executives who held office when the university committed the financial crimes uncovered by the Manhattan District Attorney in 2018, Murphy said, pointing to Tracy Davis, president of the college at the time of the guilty plea. She later moved into a new role as Academic Dean. Tracy Davis is the wife of Johnathan Davis, a co-owner of *Newsweek*. The other co-owner, *Newsweek* CEO and President Dev Pragad, said earlier this year that he had left the Olivet sect and wanted to prevent Jang's followers from interfering in the company and its newsroom. Johnathan Davis is the CEO of

IBT Media, which pleaded guilty to fraud charges brought by the Manhattan DA. IBT Media owned Newsweek for several years, spinning it off just before the 2018 indictments were announced.

Five of the six current Olivet board members held senior positions at the college during the crimes uncovered in 2018, and Barnabas Jung, the chief financial officer at that time, was still in the same role, Murphy wrote. He harshly criticized Olivet's financial management, writing of "a pattern of mismanagement of the institution's finances, indicating a lack of capacity or lack of commitment on the part of Olivet to manage its finances in a manner conducive to operating a degree-granting institution in this State." Among the evidence Murphy reviewed were 50 lawsuits against Olivet, most for failing to pay on contracted terms and 20 tax liens. Olivet had settled all but three of the lawsuits, Murphy said.

In a statement on its website, Olivet University made no mention of Murphy's reasons or its appeal of the education department's decision. "Olivet University always envisioned multiple uses for our Dover location beyond the school itself," the statement said. The sprawling Dover campus, a former psychiatric hospital in Dutchess County, about 80 miles north of Manhattan, would be used to "serve evangelicals from around the world more than ever," Olivet said, and would soon host a mission center, a business center, sports and entertainment facilities, a hospital, a technology park and an "evangelical themed museum."

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"Olivet University New York will be stepping back from offering credit-bearing courses for now, with the intention of diligently seeking to open a chartered institution at the right time and place in New York—an intention expressed in our charter application currently pending with the New York State Education Department."

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Newsweek reached out to the university for additional comment and received a response Saturday evening. "Olivet University is disappointed by the determination of the New York State Department of Education to deny renewal of Olivet's authority to operate its campus in New York. While the University is evaluating its legal options with respect to this decision, Olivet is complying with the determination and advising its students and constituents of the outcome and its impact."

Murphy made no mention of the charter application and told Olivet his decision was final. He copied his letter to the Student and Exchange Visitor Program, the arm of the Department of Homeland Security that authorizes colleges to bring foreign students to the United States.

Apart from the campus in California, Olivet operates the Jubilee School, a performing arts and music school, in Nashville, Tennessee.

The history of the different Olivet entities stretches back to 2000, according to their various websites. That was the year that Jang founded the Olivet Theological College and Seminary, later incorporated as Olivet University. Olivet Assembly USA and Olivet Assembly Europe both say they began in 2000 as associations of churches by alumni of the seminary. The World Olivet Assembly, which also operates out of Dover, New York, says it began the same year. Its website now lists more than 120 countries in which it says it has members.

While Jang's followers say their ministry is truly global, federal investigators are zeroing in on Olivet's links to China from where the college brings many students to the United States. One former student, a pastor named JianGang "Frank" Lan, has been charged in North Carolina for possession of counterfeit goods. A North Carolina judge ordered Lan's arrest on Monday after he failed to appear in court, and set his bond at \$1 million. Lan is in China, his lawyer said. *Newsweek* uncovered Lan's links to the Olivet Assembly before Olivet University confirmed that he had graduated from the college in 2012.

Three senior law enforcement officials told *Newsweek* on condition of anonymity that they suspected links from the Lan's case to Chinese organized crime and drug cartels, which look to China to buy the precursor chemicals needed to make the powerful opioid fentanyl that has been behind a surge of deadly drug overdoses in the U.S.

"Renewal of PTO [permission to operate] in this State is not an entitlement, as the appeal papers suggest it to be," Deputy Commissioner Murphy wrote, summing up his scathing critique of Olivet. "PTO is a privilege."

([Download the full PDF here.](#))

Update, 7/2, 9:25 p.m. ET: *A response from Olivet University, received post-publication, has been added to this story.*

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